# HOUSE BILL REPORT SHB 1677

## As Passed Legislature

Title: An act relating to the administration of irrigation districts.

**Brief Description:** Changing irrigation district provisions.

**Sponsors:** By House Committee on Agriculture & Ecology (Originally sponsored by Representatives B. Chandler, Grant, G. Chandler, Linville, Mastin, Delvin and Parlette).

## **Brief History:**

## **Committee Activity:**

Agriculture & Ecology: 2/22/99, 2/25/99 [DPS].

#### Floor Activity:

Passed House: 3/9/99, 96-0.

Senate Amended.

Passed Senate: 4/13/99, 49-0.

House Concurred. Passed Legislature.

## **Brief Summary of Substitute Bill**

Irrigation districts may provide assistance for the conservation or more efficient use of water. Irrigation districts may use the uniform process to award contracts for purchases instead of formal sealed bidding.

#### HOUSE COMMITTEE ON AGRICULTURE & ECOLOGY

**Majority Report:** The substitute bill be substituted therefor and the substitute bill do pass. Signed by 14 members: Representatives G. Chandler, Republican Co-Chair; Linville, Democratic Co-Chair; Cooper, Democratic Vice Chair; Koster, Republican Vice Chair; Anderson; B. Chandler; Delvin; Fortunato; Grant; Reardon; Schoesler; Stensen; Sump and Wood.

**Staff:** Bill Lynch (786-7092).

# **Background:**

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In 1989, the voters approved an amendment to the Washington Constitution to allow local governments engaged in the sale or distribution of water to provide assistance for the conservation or more efficient use of water. Cities, towns, counties, public utility districts, and water-sewer districts are authorized to provide assistance to owners of structures in financing the acquisition and installation of fixtures, systems, and equipment for the conservation or more efficient use of water under an adopted water conservation plan. The type of assistance that can be provided includes arranging or providing financing for the purchase and installation of approved conservation fixtures, systems, and equipment. The fixtures, systems, and equipment must be purchased or installed by a private business, the owner, or the local government. Different forms of pay-back are authorized, including incremental additions to the utility bill. Irrigation districts are not authorized to provide this type of assistance.

Irrigation districts do not have to use competitive bidding procedures for purchases of materials, equipment, and supplies when these items are not included as part of a public works project.

Most units of local government are authorized to use a uniform process to award contracts for purchases instead of following formal sealed bidding requirements. The particular statutes pertaining to a unit of local government specify the maximum dollar threshold of the contracts that can be awarded under this process. Under this process, the local government must obtain quotations from at least three different vendors whenever possible to assure that a competitive price has been established, and then award the contract to the lowest responsible bidder. Irrigation districts are authorized to use small works rosters, but are not authorized to use this process to award contracts for purchases.

#### **Summary of Bill:**

An irrigation district may assist the land owners receiving water from the district and persons discharging water from the land into irrigation district-maintained facilities in financing the leasing, acquisition, and installation of fixtures, systems, programs, and equipment for the conservation or more efficient use of water. The assistance may include arranging or providing financing for the purchase and installation of approved conservation fixtures, systems, programs, and equipment. The fixtures, systems, programs, and equipment must be purchased, leased, or installed by a private business, the owner, or the irrigation district. The irrigation district must make an appropriate charge-back for the extension of the money or credit in providing the assistance. The board of directors of the irrigation district may fix rates or tolls and charges, levy an assessment, or both, from people in the district to whom the district made this assistance available. Enhancing water quality is a use for which assistance may be provided.

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Irrigation districts are required to use formal competitive bidding procedures when awarding contracts for purchases of materials, supplies, or equipment unless the board of directors adopts a resolution which establishes a policy for waiving these formal bidding requirements. The board of directors may waive these formal bidding requirements for purchases which do not exceed \$10,000. Exemptions which apply to purchases of items included as part of a public works project apply to all purchases.

Irrigation districts may use the uniform process established for awarding contracts for purchases from a vendor list in lieu of following formal competitive bidding requirements. Contracts that can be awarded under this process may not exceed \$50,000 exclusive of sales tax.

**Appropriation:** None.

**Fiscal Note:** Not requested.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Testimony For:** (Original bill) Irrigation districts should be able to finance low-volume toilets and showers like cities can. The vendor list authority is in response to an audit exception. An irrigation and rehabilitation district structure will allow a district in the Yakima Valley area to regulate shoreline as a park near a proposed point of diversion change, and almost double the amount of water available for a stretch of stream.

**Testimony Against:** None.

**Testified:** Representative Bruce Chandler, prime sponsor; and Mike Schwisow, Washington State Water Resources Association.

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